NOVA SCOTIA
Agriculture and Fisheries

2003–04

Annual Accountability Report

106-03792/

Department of Agriculture and Fisheries

Annual Accountability Report for the Fiscal Year 2003–04

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Accountability Statement

The accountability report of the Department of Agriculture and Fisheries covers the period April 1, 2003 to March 31, 2004. This report is prepared pursuant to the Provincial Finance Act and government policies and guidelines. Its purpose is to report outcomes against the Department of Agriculture and Fisheries business plan for the fiscal year 2003–04. The report necessarily includes estimates, judgements and opinions of the Department of Agriculture and Fisheries' management.

We acknowledge that this accountability report is the responsibility of the Department of Agriculture and Fisheries' management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the 2003–04 Department of Agriculture and Fisheries business plan.

Message From the Minister

It is my pleasure to present the 2003–04 Annual Accountability Report for the Nova Scotia Department of Agriculture and Fisheries. This report reflects the department's efforts to achieve the priorities outlined in its 2003–04 business plan and the initiatives undertaken to address issues and opportunities.

Staff identified many common goals and worked towards generating opportunities for the agriculture, aquaculture and fisheries industries. The department also made significant efforts to work closely with industry representatives.

The department was pleased to sign the Canada-Nova Scotia Implementation Agreement for the Agricultural Policy Framework (APF). The implementation agreement includes Business Risk Management, Food Safety and Quality, Environment, Renewal and Science and Innovation components. It will provide a framework to build on innovation and increase the competitive position of the province's agriculture industry.

After the extraordinary impact of Hurricane Juan, the department responded to the unforseen catastrophe by providing assistance to affected agricultural producers fishermen, and processing facilities to repair damage and address operational needs.

I would like to express my thanks to department staff for their commitment to providing programs and services to the agriculture, aquaculture and fisheries industries.

I invite readers to learn more about our diverse department by visiting http://www.gov.ns.ca/nsaf/.

Chris d'Entremont, Minister

Rosalind Penfound, Deputy Minister

Introduction

This accountability report is based on the core businesses, strategic goals, priorities and performance measures set out in the department's 2003–04 business plan. Readers are encouraged to read this report with the department's business plan to fully understand the department's challenges, opportunities, priorities and core businesses. The business plan can be viewed on the department's website, www.gov.ns.ca/nsaf/department/business_plans/. The department's programs support the core businesses, goals and priorities of the Government of Nova Scotia.

The purpose of the report is to share an overview of ongoing work and achievements made toward core business priorities and performance measures for the Department of Agriculture and Fisheries, including the Nova Scotia Agricultural College (NSAC) during the period April 1, 2003 to March 31, 2004.

Four core businesses are outlined, each with a number of priority items. Staff worked to carry out the department's mission - to foster prosperous and sustainable agriculture and fisheries industries through the delivery of quality public services for the betterment of rural and coastal communities and of all Nova Scotians.

Core Business Achievements 2003–04

Core Business 1: Sustainable Resource Management - balances industry development with environmental and social responsibility through applied research, technology transfer, generally accepted management practices, and industry public awareness.

Priority – Strengthen environmental risk management.

Achievements:

Fisheries and Aquaculture

- Implemented the Environmental Monitoring Plan (EMP) for the aquaculture sector, and completed the Pilot Scale Project. The final report on the project is completed and discussions will be arranged with the Aquaculture Association of Nova Scotia (AANS) and the federal Department of Fisheries and Oceans (DFO) regarding follow up activities. A second phase of the project is underway with additional sites scheduled to be tested during the summer of 2004.

- Participated in the development of a new National Aquatic Animal Health Program (NAAHP) for the aquaculture sector. The NAAHP will coordinate existing animal health programs and fill areas where there are gaps in programming. The department is ready with its plan, and has expanded the fish health lab and hired a new technician. Critical equipment was also purchased. The department is waiting for the federal government's plan. The federal government has approval-in-principal from its cabinet but is seeking funding approval.

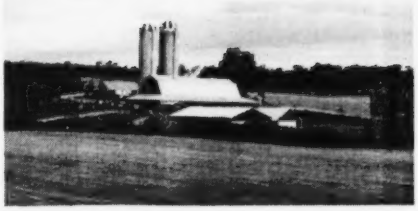
- Co-chaired, with the federal government, a national task group on Species at Risk (SARA) legislation in the aquatic environment. Terms of reference of the task group have been established. The group's work plan is expected to be approved by fisheries Ministers in September 2004 and the policy is expected to be delivered to the Ministers in September of 2005.

Agriculture

- Directed $500,000 per year for 2004–05 and 2005–06 to accelerate the Nova Scotia Environmental Farm Plan (EFP). Approximately 400 farmers are now enrolled in the program. Nova Scotia's EFP approach is consistent with the national model. A completed EFP is required for farmers who want to access cost shared federal/provincial on-farm programs. Additional program linkages to environmental practices are being discussed with the federal government. The EFP is a priority in Nova Scotia and is highlighted in the Canada-Nova Scotia Implementation Agreement for the Agricultural Policy Framework (APF) as a key element of sustainable agricultural development.

- Continued to support growth in farm businesses through the Farm Investment Fund (FIF) by investing in projects in: Business and Human Resources Development, Land Development, Water Management, Regulatory Compliance and Agro-environmental. The FIF enhances economic viability, farm and food

safety and environmental stewardship. In 2003–04, $4,384,832 was committed for 1,894 projects. FIF is recognized within the Canada-Nova Scotia Implementation Agreement for the APF.



- Revised the Environmental Regulations Handbook for Nova Scotia Agriculture. The revised handbook will give farmers the lastest on environmental regulations and municipal by-laws so they can ensure that they are in compliance with all statutes and regulations in the province. The handbook is now available from the Resource Stewardship Division.
- Cooperated with producers, the Department of Natural Resources, Eastern Habitat Joint Venture, Ducks Unlimited, and Agriculture and Agri-Food Canada (AAFC) on the Bellisle Marsh Late Forage Cultivar project. This project is designed to assess the use of late cultivar varieties on dykeland to improve forage quality for producers while enhancing wildlife habitat.
- Participated in development of the "Guide for Land Use Planning in Rural Areas." The guide, when completed, will provide municipal planners with background information on agriculture and the importance of the agricultural industry to the community. This document will be included with manure management guidelines and watershed guidelines as a reference manual for planners.
- Transferred the function of dealing with water issues to the Resource Stewardship Division. The department's internal Water Task Group was disbanded as the mechanism to deal with departmental water issues. The Canada-Nova Scotia Implementation Agreement for the APF and federal programs, such as the National Water Supply Expansion Program (NWSEP), will increase opportunities for better water use in rural areas. NWSEP will assist agricultural producers improve water management.
- Developed and implemented the Antigonish Dead Stock Disposal and Collection Pilot Project. This project was partially funded by *Technology Development 2000* and operated through the cooperation of the Antigonish Guysborough Federation of Agriculture, Municipality of the County of Antigonish and the Nova Scotia Department of Environment and Labour. The project was launched in the fall of 2003. The preliminary results appear promising and the facility was well utilized this winter due to high snow fall prohibiting burial at the farm. Further results will be released in 2005.
- Established outreach programs through the National Greenhouse Gas Mitigation Program to create farm-level demonstrations of climate change management and technologies in coordination with the Atlantic Swine Research Partnership and the Soil and Crop Improvement Association of Nova Scotia. A Canada Research Chair in Agricultural Resource Management was also created at the NSAC to further link climate change management and farm-level technologies.

Priority – Resolve resource use conflicts and challenges.

Achievements:

- Tested the Farming With Neighbours: Conflict Resolution Workshop to a county farm group and discussed wider scale delivery with the NSAC's Centre for Continuing and Distance Education.
- Organized a fact-finding mission with Department of Energy and industry representatives to countries that have successful fisheries and oil and gas industries. A representative group of fish harvesters participated in the mission. Meetings were held with fishing industry representatives, oil industry representatives, scientists, oil and gas regulators and fisheries managers in Norway and Scotland. Nova Scotia fishermen were able to hear first hand how jurisdictions with mature oil and gas industries were able to address issues and challenges associated with two industries (fisheries/oil and gas) sharing the same marine areas. The group produced a report describing what they learned and made recommendations on improvements for Nova Scotia.

Priority – Manage inland fisheries resources

Achievements:

- Signed the federal-provincial MOU on recreational fisheries. The MOU serves as the vehicle to enhance efficiency in managing our freshwater and diadromous [fish that migrate from fresh to salt water and return - e.g. salmon] species. The 36 freshwater species of Nova Scotia are divided into two lists assigning primary management responsibilities to either Canada or Nova Scotia. The MOU will insure the public and government have a clear idea of who is responsible for what, and allow government to reduce duplication and redundancy in administration and programming.

- Finalizing negotiations on the federal-provincial freshwater fish habitat MOU The MOU begins the process achieved through the Recreational Fisheries MOU. It creates the vehicle to clearly delineate responsibilities and accountability to the public and government. It will establish an MOU Management Committee to resolve issues and conflicts as they arise, to better coordinate consistent policy development and application across Nova Scotia, to create opportunities for cross- and joint training, to communicate new initiatives to our respective agencies, and enhance the accountability aspect through compulsory reporting to Ministers.
- Worked with the Canadian Council of Fisheries and Aquaculture Ministers (CCFAM) on national efforts to promote sportfishing. A national sportfishing week was held and promotional literature was distributed as part of the national "Catch Fish" marketing campaign to highlight the recreational value of sportfishing.

Core Business 2: Industry growth and development – focuses on NS's rural and coastal communities by investing in industry stability, new economic opportunities and strategic development partnerships.

Priority – Develop a strategic plan focused on economic growth.

Achievements:

- Continued to build on Nova Scotia's economic growth strategy, "Opportunities for Prosperity". Efforts were made to ensure alignment of the provincial growth strategy with departmental priorities through the business planning process. In 2003-04, a joint committee of officials from Nova Scotia Agriculture and Fisheries (NSAF) and the Office of Economic Development was established to focus discussions on challenges and opportunities in agriculture and fisheries and to develop strategies for moving forward.
- Commenced updating the Aquaculture Development Strategy in consultation with the AANS. A draft discussion document has been prepared. The next phase will include consultation with the industry and other stakeholders prior to finalizing the strategy. An implementation plan aimed at seizing opportunities for aquaculture in Nova Scotia will also be developed.

Priority – Enhance public awareness of industries

Achievements:

- Coordinated the Aquaculture Harvest Festival in Eskasoni. This annual event creates awareness and educates communities about the aquaculture industry. The event which was co-hosted by the Eskasoni native community was attended by about 300 people and included an educational session at a local high school.

- Co-ordinated the 4th Annual Oyster Shucking Contest in Halifax at the Farmers' Market. Six oyster producers and five chefs entered the contest. The contest raised awareness of the Nova Scotia oyster industry.
- Developed and promoted a brochure highlighting the various agriculture and fishery related tourism products and experiences throughout the province. The department printed and distributed 500 brochures.
- Created digital images for numerous agricultural awareness and industry projects including u-pick strawberries, u-pick highbush blueberries, the farm family, organic industry images, cranberry industry images, agri-tourism projects and seafood images.
- Enhanced the department website to improve its quality and access to information about departmental programs and services.

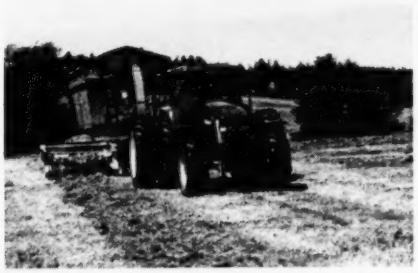
- Prepared and served 1500 fishcakes to over 1000 people at the annual CBC Breakfast. The CBC Breakfast provides the public with an opportunity to learn about the health benefits of eating Nova Scotia seafood, as well as an opportunity to taste Nova Scotia seafood.
- The Nova Scotia Agricultural Awareness Committee completed its 14th year of programming. 2003 was a challenging year for agriculture and with this came the continued need for public education. The committee continued to promote consumer awareness and educational programs in schools, including an Open Farm Day and Ag Zone, a science enrichment program done in partnership with the Nova Scotia Agricultural College (NSAC) for students in grades 4–6.
- Responded to client requests and public inquiries on a wide variety of issues related to agriculture and fisheries including: departmental and federal/provincial programs, environmental issues, new development opportunities, resource management, animal disease and pest management.
- Provided single-window economic development services to agriculture, fisheries and aquaculture clients through 13 field offices located throughout the province. Staff participated in and chaired many regional economic development committees and resource management working groups.

Priority – Reduce and manage agricultural risks.

Achievements:

Risk Management

- Introduced the new Production Insurance Program in September 2003, which is expected to be fully in place in 2006. Crop Insurance was renamed Production Insurance under the Canada-Nova Scotia Implementation Agreement for the APF to reflect expanded product coverage and improved flexibility to respond to the needs of Nova Scotia agriculturists. In general, producer premiums were reduced by 20% under the new cost sharing arrangement. Total crop insurance coverage for 2003-04 was steady at $16.3 million. Dairy insurance coverage totalled $37.4 million. Dairy Insurance is scheduled to become part of the Production Insurance programs in 2005–06. Federal regulations and guidelines are being developed. The program made indemnity payments of $834,000 to producers.



The revised Production Insurance Program will allow for:
- insurance plans based on value rather than yield;
- insurance coverage for livestock production
- lower premium and administration costs.
- increased effectiveness of production insurance by introducing higher coverage levels and higher unit prices:
  – increased maximum coverage to 85% from the previous 80% maximum. Approximately 1/3 of the 500 growers took advantage of the higher coverage option.

- Developed the federal Canadian Agricultural Income Stabilization (CAIS) Program as the next generation of Business Risk Management (BRM) programming. This whole farm program integrates stabilization and disaster protection into one to protect farming operations from small and large drops in income. CAIS replaced the Net Income Stabilization Account (NISA) Program, a long term federal-provincial-producer safety net program, in 2003.

Assisted industry transition from the former federal-provincial BRM programs to the new programs delivered under the Canada-Nova Scotia Implementation Agreement for the APF. This was done through the Bridge Funding Program, which was provided over two years (2002–03 and 2003–04).

- Concluded the Canadian Farm Income Program (CFIP), a national safety net program designed to cushion Canadian farmers from extreme income reductions for reasons beyond their control, in 2003.

Income support highlights:

CAIS

- 813 participants for the 2003 production year;
- average government support totalled $35,824

NISA

- total of 427 withdrawals from 1,178 eligible participants taken for the 2002 production year totalling $4.48 million, with average withdrawal of $10,497.

Bridge Funding

- delivered $2.48 million provincial dollars to 1,353 producers January through March 2004.

CFIP

- total of 168 claims paid for the 2002 production year for a total of $2.84 million, with average payment $24,291.

BSE Programming

- Developed Bovine Spongiform Encephalopathy (BSE) Programs in response to recommendations from the 2003 provincial BSE Task Force Report. An additional $3.5 million was directed to address income loss due to BSE. Assistance was delivered in part through the NS Beef Producers Enrollment Incentive program, the Canada/Nova Scotia Ruminant Cull Animal program and the Nova Scotia Modified BSE Recovery Programs along with the Canada/Nova Scotia BSE Recovery program. These programs provided short term assistance to producers who sold animals between May 20 and August 31, 2003 and who experienced a drop in slaughter ruminant animal market prices due to the closure of the US border to Canadian meat producers.

Highlights of the BSE programs include:

- Paid out $805,946. for 3,201 animals from a total of 246 applications received under the Slaughter Element.
- Paid $2,040 to Ontario plants', $8,822 to a Quebec plant and have a payment pending to Nova Scotia plants for $48,392 from five applications received for 1,701 animals under the Packer/Inventory Element.
- Provided assistance to ruminant animal producers under the Canada/Nova Scotia Ruminant Cull Animal Program due to loss of market demand and depressed prices for meat from mature animals. A total of 1,057 eligible applicants were compensated of $1,814,177 for 6,580 animals.
- Provided immediate assistance under the Nova Scotia Beef Producer Enrollment Incentive Program to offset income loss. Beef producers enrolled in the new Producer Assistance (CAIS) Program. Applications were received from all counties across the province with 702 approvals and total payments of $2,341,400 for 23,414 cows.
- Provided immediate financial assistance under the Nova Scotia Modified BSE Recovery Program to Nova Scotia beef and sheep producers who have experienced income loss due to low market prices. A total of 406 producers registered covering 11,151 beef and 6,931 sheep. A total of 103 producers made claims covering 1,652 beef and 3,715 sheep, with a total animal payout of $652,899.

- Prepared and regularly updated Nova Scotia Cattle and Beef Statistics - including post BSE market prices and impacts throughout the year. This report was used for a number of purposes in relation to BSE issues.
- Contributed to national representations regarding restrictions on live cattle exports arising from the BSE incident in Alberta and participated in a Canadian delegation of provinces that went to Washington on this matter. Meetings were held with the National Association of State Departments of Agriculture, United States Department of Agriculture (USDA) officials, congressional staff and industry representatives

Farm Management

- Evaluated the Farm Management Analysis Program (FMAP) to determine if the needs of the industry and government were being met. The FMAP is designed to provide businesses, industry groups and government with an analysis of financial and production management trends at the commodity level. Individual businesses participating in FMAP were surveyed and 90% of respondents indicated that the analysis was useful to the management of their business. Focus group sessions were also held with service providers and government to assess their information needs and to obtain feedback on the FMAP results. Results indicated a need for more comprehensive analysis of commodity results.
- Implemented several positive changes to producer reports for the 2003 data collection year. Further changes are being considered to broaden the scope to include an analysis of additional commodities and development issues.
- Undertook initiatives designed to improve the scope and availability of management information required to assess business competitiveness of agricultural producers:
  - coordinated the collection and analysis of farm level data for 150 individual hog, tree fruit, mink, honey, dairy, beef and blueberry farm businesses.
  - using farm level data, prepared and distributed economic information related to cost of production and net return scenarios for the hog and dairy sectors to key industry stakeholders.

Priority – Advocate for a fair share of marine resources for Nova Scotia.

Achievements:

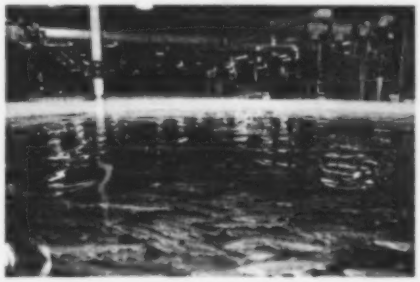
- Participated in a review of northern cod resources and prepared contingency plans if this fishery is closed due to poor stock recovery. The department compiled information on the impacts of a cod fishing closure in Gulf of St. Lawrence and off northern Newfoundland and Labrador. Impacts on the processing sector were part of this review. The data from Nova Scotia was provided to DFO, which completed a review of impacts in Atlantic Canada. The department is participating on a DFO-led cod recovery team for the Maritime provinces. Terms of reference for the team have been established and consultations with industry are planned for the fall of 2004.

Priority – Diversify, expand, add value in primary and secondary production.

Achievements:

Fisheries & Aquaculture

- Completed the Guysborough County aquaculture project. This project has given the department the required information to:
  - identify sites that have biological potential for fish growers and which are not in direct conflict with other users;
  - share knowledge gained with the fishermen in the identified area;
  - provide the Regional Development Authority (RDA) with a planning tool to increase potential of aquaculture development in Guysborough county.



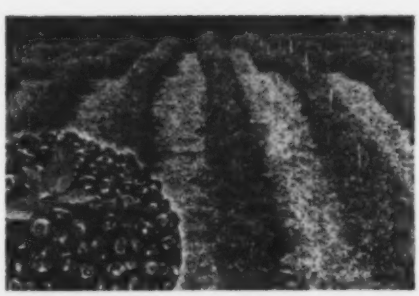
The department will seek three proposals from interested mussel farmers who wish to expand their farms or establish in Guysborough County. In partnership with the Atlantic Canada Opportunities Agency (ACOA) and DFO, the department will use the tool that was developed as part of the Guysborough aquaculture study to expedite and assist with the review process.

- Participated in the Strategic Planning Working Group for the Aquaculture Sector, which highlighted business development needs, attended the Aquaculture Industry Annual Meeting and promoted relevant business development programs to the industry.
- Established a working group comprised of snow crab harvesters, processors and plant workers that opened a dialogue between key players in the sector to resolve issues in the sector. A report was completed on the results of the working group, which was made available during the summer of 2003. In addition to the report, several market information sessions were held in fishing communities and an independent economic study of the crab industry was completed.
- Worked on optimizing snow crab processing opportunities in eastern Nova Scotia and Cape Breton. Discussions were held with Newfoundland, Quebec and New Brunswick to implement free trade of live snow crab between provinces for processing. An agreement was reached with New Brunswick that ensured free trade between the two provinces. A prohibition was placed on Nova Scotia snow crab buyers licences to prohibit the sale of live snow crab to Newfoundland and Quebec. As a result of the level playing field and other factors, preliminary data show that 76% of snow crab that landed in Nova Scotia in 2003 was processed here. During the winter of 2003–04, requests were made to Newfoundland and Quebec to have them eliminate their trade barriers so there would be free trade in unprocessed snow crab with Nova Scotia. Newfoundland and Quebec did not remove their barriers, so the restriction were placed on Nova Scotia buyers and processors again in 2004.

- Organized a group co-chaired by NSAF and DFO to identify opportunities for the development of underutilized and emerging fisheries species. The group was tasked with bringing together fishermen, processors and government regulators to coordinate an approach which would see the timely and orderly development of harvesting, processing and marketing of underutilized fisheries.

Agri-TECH Park

- Implemented a new business strategy for AgriTech Park in Truro, positioning the facility as a bio-economy village focused on environment, food safety, and science and innovation. AgriTECH Park Inc. is an innovation facility adjacent to the NSAC. It is the commercialization wing of the college and currently has 12 resident tenants. In 2003-04 AgriTECH Park:
  - held an open house in with invited guests, presentations by resident clients, and tours;
  - sponsored and participated in the Bio Port 2003 Conference in Halifax with informational sessions by leading life science companies;
  - co-hosted the Life Science Development Forum in Truro;
  - completed a market assessment for fresh water, certified organic fish. The project was approved and supported by Agriculture and Agri-Food Canada's (AAFC) Canadian Agriculture and Food International (CAFI) Program, NSAF and Millbrook Aquaculture facility. The full report is available at www.agritechpark.com/aquafarm.pdf;
  - conducted turf grass research at AgriTECH Park with partner Azar Agriculture;
  - continued cooperation with Dalhousie's Centre for Water Resources Studies on the development of a demonstration and evaluation centre for wastewater research;
  - continued efforts to attract knowledge-based bio-economy companies to the park and expand the resident client base. The newest tenants include AAFC, Wildscape Restoration and Native Plant Nursery, Advocate Printing and Publishing, and Canadian Spirit Packaging;
  - created new signage for the park positioning the facility as "Atlantic Canada's Bio-economy Village"



Industry Development

- Developed and circulated the Opportunities and Innovation Digest, highlighting potential business development opportunities for the Nova Scotia agri-fish sector. The digest is distributed monthly to departmental staff, commodity groups and industry organizations and service providers.
- Initiated the development of a Strategic Alliances handbook, which serves as a best practices guide to individual businesses and organizations. The guide will be distributed on-line through the department's web site in addition to being promoted through a newsletter series.
- Promoted the Business Management Resource Library to departmental staff and industry groups, as well as developed and distributed promotional material to various industry groups and service providers. Marginal increases in usage of the library were noted, primarily amongst staff and service providers.

- Provided leadership in the development of an industry development plan for Apple Bio-Products in cooperation with the Nova Scotia Fruit Growers and NSAC. A detailed work plan designed to identify new market opportunities has been developed and will be fully implemented in 2004–05.
- Delivered a report on Greenhouse Vegetable Production and Markets that was circulated to growers. Provided leadership to a discussion of the current situation in the sector and the potential to re-activate the Greenhouse Vegetable Marketing Board.
- Prepared and circulated a report on the economic profile of the supply management sectors. It was presented at the Dairy Farmers of Nova Scotia annual meeting and referenced during presentations to two other farm meetings.
- Partnered with the Atlantic Canadian Organic Regional Network (ACORN) to complete market research to evaluate the potential for Atlantic organic producers, processors, wholesalers and retailers to serve both domestic and international markets.
- Completed, in cooperation with industry, a project to evaluate markets and develop a strategy for the expansion of markets for premium, quality graded Nova Scotia hay. The project has been completed and has identified an opportunity which is now being pursued and developed.
- Continued research and development of strategies, in co-operation with the Nova Scotia Turkey Producers Association and ACA Cooperation Ltd,. for turkey and new turkey products for the institutional, food service and retail sectors.
- Completed the Nova Scotia Farmers Market Economic Impact Study in partnership with the Halifax Farmers Market. St. Francis Xavier University Enterprise Development Centre completed the study. A draft report has been received, with final report due in the Fall of 2004.
- Developed, in partnership with the cranberry industry, a Cranberry Industry Market Development project. Consultants have submitted proposals and research is underway.
- Partnered with the pork industry to develop an industry strategy. The strategy will provide future direction for the industry, assist with strategic partnering and identify opportunities and markets for pork products. Work began in early 2004 and will be completed early in 2005.
- Planning a "natural products" development project. This will span two to three years and involve several industry partners. Natural pork and red meat are the first products involved. The market potential has been determined and the business case is being formulated. The value-added component is poised to partner with industry entrepreneurs to develop the products identified in the business case. Other sector projects are being considered for joint delivery beginning in 2004–05.
- Worked with members of the agri-tourism industry and government to increase awareness of the potential of agri-tourism as a farm diversification strategy. Activities to increase awareness of agri-tourism include:
  - completed, in partnership with the Department of Tourism, Heritage and Culture, a terms of reference for a market research and industry development strategy;

- presented to the Canadian Association of Fairs and Exhibitions annual conference on agri-tourism n Nova Scotia;
- developed, in partnership with the Canada-Nova Scotia Farm Business Council, an agri-tourism resource book for agri-tourism operators
- prepared a directory of agri-tourism operators in Nova Scotia;
- conducted a media tour of agri-tourism operations in cooperation with the Central Nova Tourism Association

- Partnered with industry on projects to address barriers to commercialization and new product development in ethanol production and functional foods. The department also worked with industry to address barriers related to food safety. On-going projects include development of new recipes for the food service industry, organic foods, and product packaging.
- Established a Tree Fruit Bio Products Research Chair through a partnership between the NSAC and industry. A program plan has been developed. The long-term goal of this program is to enhance the economic value of apples and other tree-fruits and to assure the sustainability of the Nova Scotia tree-fruit industry by introducing novel bio-products. The program will be cooperative in nature with partners at other institutions within the region, as well as nationally and internationally.
- Introduced the New Opportunities Business Development Initiative to support those initiatives that encourage strategic and competitive growth within the agri-food industry as part of the Province's commitment to industry renewal. Developed a directional plan outlining program priorities, resource gaps and work plan activities. Negotiated an integrated strategy for capturing new opportunities under the Renewal Chapter of the Canada-Nova Scotia Implementation Agreement for the APF, linking provincial initiatives with federal support for business services. The Renewal Chapter has demonstrated positive results and progress has been achieved towards APF objectives.
- Continued to support the development and adaptation of agricultural technologies and knowledge that enhance the competitive position of the Nova Scotia agri-food industry though the Technology Development Program. Funding of $1,855,329 was committed to 56 technology development projects.
- Completed the Canada/Nova Scotia Economic Diversification Agreement for the Exportation of Nova Scotia Fishing Vessel and Boat Building Technology. The completed boat building agreement, valued at $2.7 million ($1.58 million government contribution) has resulted in:
  - the establishment of the Nova Scotia Boatbuilder's Association, which now has a membership that includes 35 boat-building companies and 47 supply companies, representing approximately 75% of the province's total boat-building industry.
  - the creation of 450 direct jobs in Atlantic Canada.
  - the creation of 1500 indirect jobs in Atlantic Canada
  - an increase of exports from $8 million in 1997 to $35 million in 2003
  - an increase in sales of about $50 million since the agreement was signed to about $83 million annually.

- Worked with five rockweed industry members to formalize an industry market development and communications strategy.
- Developed and conducted a survey for seafood companies to discuss their marketing activities and role of NSAF in assisting in these activities.

Priority – Increase domestic and export sales.

Achievements:

Trade Issues

- Briefed farm organizations on the World Trade Organization (WTO) agricultural negotiations and related issues.
- Supported a Provinces-States Working Group established because of concerns that regulations, including prior notice requirements, under the US "Bioterrorism Act" could be detrimental for trade, particularly for perishable shipments.
- Communicated information to Maine blueberry industry about the Canadian industry in response to a request by the Maine Blueberry Commission for studies of Canadian subsidies. The studies could have led to countervailing action against the industry in Canada. The information provided indicated that the expansion of the blueberry industry in Canada was in line with the industry's expansion in the US. The request for the studies was withdrawn and the issue has been resolved.

Marketing and Market Development

- Developed terms of reference for a pilot international business and product development project for the Japanese market. A consultant will work with four Nova Scotia companies for a 12-month period beginning in the summer of 2004 to develop and introduce products to the Japanese market.
- Executed Wild Blueberry Week Promotion in Japan. Preliminary results are very promising based on industry sales comments.
- Explored, in partnership with industry, the concept of a centralized consolidated warehouse for a range of Nova Scotia products for export to international markets. A consolidated warehouse would reduce export costs and increase access to international markets for Nova Scotia businesses, as well as making Nova Scotia products more attractive to potential buyers.
- Completed a Nova Scotia Periwinkle opportunity review. The department provided assistance to local exporters for market opportunities with Cancale Huitres of France. This project identified product specifications, exports requirements and arranged meetings for five Nova Scotia companies. Follow up was completed with buyer and suppliers to ensure client satisfaction. This resulted in business arrangements between Cancale Huitres and a local periwinkle producer.

- Completed a Sunflower Seed market research project that assisted an industry client to undertake a preliminary assessment of sunflower market opportunities. The research identified multiple competitors and products. The client gained a higher degree of confidence in assessing market potential.
- Completed a grape growers survey. The information collected from this survey will be used to promote and support the further growth and development of the grape industry and will serve to guide public and private policy decisions. This survey established benchmarks of grape growers' production, including current production acreage and varieties of grapes produced, and collected opinions from members of the Grape Growers Association on development plans for the industry.
- Assisted in the implementation of the Apple Growers Industry Marketing Initiative, including creative material preparation, a launch at Maritime Fall Fair and general marketing input.
- Participated with the Office of Economic Development (OED) in the development of the Provincial Supplier Development Program. The objective of the program is to ensure that all public sector procurement is carried out in an open, fair, consistent and competitive manner. The program provides opportunities for Nova Scotia businesses, including agriculture and fisheries businesses, to expand their market by selling their goods and services to the public sector.
- Completed market profiles on Germany, Dominican Republic and China, defining market opportunities. These profiles led to the preparation of a trade mission to the Dominican Republic and product-specific research in Germany.
- Completed an in-depth market profile of joint venture and supply opportunities for high bush blueberries and onions in Argentina. The department assisted the client develop contacts, collect market data and information, and conduct a market investigation. The market profile enhanced the competitive position of the client.
- Completed detailed statistical reports, profiles and publications of Nova Scotia lobster exports, weekly market reports, Food for Thought, fish landings and statistical summary reports on seafood.
- Continued the Cumberland County Food in Schools Pilot Program in partnership with a consultant and Nova Scotia companies. Phase one of the one to two year project was completed on a regional basis. Year two will build on the results from the first phase and focus the efforts toward Nova Scotia companies. Funding of $171,000 has been secured to fund project development costs. Suppliers have been identified and product development and menu testing have been undertaken. The product development component has led to the creation of several new ready to serve foods.

- Developed and completed a wine industry marketing strategy. The strategy focused on increasing the consumption of local wines.

- Partnering with Nova Scotia Fruit Growers Association and industry stakeholders on an on-going basis to implement the Nova Scotia Tree Fruit Industry Vitalization Strategy. The strategy is an aggressive marketing, branding and orchard renewal initiative to advance the market share of Nova Scotian tree fruit, particularly apples, in Nova Scotia and high-end markets and to re-establish the industry's long-term viability. The strategy has entered the second year of this two year project. The department has provided funding and staff to the project.
- Advanced the 'Brand Nova Scotia' initiative, a Blueprint commitment, to aggressively promote Nova Scotia products at home and abroad, and increase procurement opportunities for local companies. NSAF participation included:
  - participation on the provincial Brand Nova Scotia Steering Committee. The committee completed a branding strategy. Cabinet approved the recommendations regarding funding and strategic direction for the initiative;
  - developing three promotion programs with industry partners: seafood (Taste of Nova Scotia), beef (Nova Scotia Cattlemen's Association), and apples (Nova Scotia Fruit Growers Association)
  - participation in the Brand Nova Scotia Boston Tree Initiative that promotes Nova Scotia and its products to potential buyers in New England.

Trade Initiatives

- Participated in the European Seafood exposition in Brussels, Belgium. Worked with the Atlantic Canada Seafood group to develop the Atlantic Canada exhibit. Twelve Atlantic Canadian companies participated, and obtained positive sales results and many qualified leads.
- Planned and participated in the Americas Food and Beverage Show in Miami. Four Nova Scotia companies participated with positive market development results.
- Participated in the 84th Canadian Meat Council Conference to collect information on domestic and export trends for Canadian pork, beef and lamb.
- Planned and participated in the Boston Seafood Show. In total, 42 Nova Scotia companies registered and 12 used the Nova Scotia booth.
- Planned and managed the Nova Scotia exhibit at the Canadian Produce Marketing Association Annual Conference to increase the profile, reputation and sales of Nova Scotia fresh produce to industry in regional, national and international markets.

- Five companies participated in the APEX show, which focused on creating awareness of Nova Scotia seafood and agricultural products in food service and hospitality chains. The companies estimated sales of $125,000 as a result of their participation.
- Organized the opening reception at the National Food Service Executive Chef Conference in Dartmouth showcasing Nova Scotia product. The conference was attended by 200 chefs from across Canada and the US. The event targeted executive chefs as they are the decision makers for the food service industry.

International Business Development

- Participated on Federal/Provincial Core Teams on trade to deliver Nova Scotia perspectives on federal/provincial trade strategies directed to the US, China, Japan, Latin America and the European Union. Participation on the teams gives Nova Scotia a voice in the prioritization of international market activities and projects done by the teams. Initiatives included:
  - participation in discussions on the Canadian International Business Strategy at the US Core Team meetings in Edmonton, Alberta;
  - participation in discussions on market development strategies at the Latin America Core team meeting in Halifax.
- Participated in Atlantic Canada Food Export Partnership first annual conference on Prince Edward Island. The partnership initiative provides a unified voice for agri-fish exporters from the region and allows for coordination of activities among the four provinces.
- Participated on Trade Team Nova Scotia, contributing the perspectives, issues and opportunities in the seafood and agricultural industries. Trade Team Nova Scotia coordinates provincial programs and international action so that departments can build on each other's activities, prioritize target market areas, coordinate training activities for exporters and improve information sharing.
- Co-ordinated a European Union buyers' mission with buyers from the Netherlands, Spain, Denmark, Germany and France. The buyers were impressed with the quality of herring and rock crab.
- Participated in a mission to Iceland to investigate the possibility of a stockfish plant investment in Nova Scotia.
- Completed a Dominican buyer visit. The buyer was interested in the Taste of Nova Scotia program, which resulted in the planning of a Dominican Taste of Nova Scotia mission in April 2004.
- Led a mission to Seattle to investigate export opportunities for Nova Scotia manufactured fisheries and boat building products.
- Led an industry educational mission to the Anuga Food Show, an international trade show in Germany. One company is discussing the potential to pack products for two European companies for sale in North America. This company will exhibit at the next Anuga show.

Priority – Optimize department's investment capacity in accordance with the 'Nova Scotia Investment Framework'.

Achievements:

- Ongoing development of a coordinated approach to prospectus development that incorporates a broader, more detailed analysis of opportunities, and undertook a prospectus analysis of potential new investment opportunities.
- Completed investment prospectus that included:
  - an assessment of natural pork as a business development opportunity for Nova Scotia;

- relevant business information to Cape Breton residents who were interested in contract mink rearing;
- an opportunity assessment on ground hemlock.

- Continued to provide the fish harvesters and aquaculture industries with long-term stable, cost effective funding through the Nova Scotia Fisheries and Aquaculture Loan Board. The board approved 132 loans for a total of $23,022,492.21 during the 2003-2004 fiscal year.
- Entered into an arrangement with the Nova Scotia Business Inc. (NSBI) to jointly manage a $1.5 million new Prototype Boat Credit facility. The Nova Scotia Fisheries and Aquaculture Loan Board will provide technical and administrative services.
- Implemented, through the Nova Scotia Farm Loan Board, a price-based Hog Loan that allows the client to choose to repay interest plus an amount of principal that will depend on the market price of hogs (the higher the market price the more principal to be repaid).
- Advanced loans of $25.9 million through the Nova Scotia Farm Loan Board in 2003-04. The Board continued to provide financial counseling for new and existing clients.
- Implemented the New Market Opportunities Loan Program for the beef sector. There has been limited uptake on this program due to the current BSE crisis. In response to the BSE crisis, the Farm Loan Board has provided assistance to maintain industry stability, including credit extensions, loan deferrals, loan consolidations and working with the chartered banks on behalf of the industry.
- Approved $490,000 in assistance under the New Entrants Program during 2003–04. A total of $837,000 was disbursed in 2003–04 to applicants approved over the prior two years.
- Invested about $150,000 for 18 projects to create economic development in coastal communities. The programs leveraged three times the funding from the Federal government and industry. Projects that received funding included:
  - construction of a slip way at Ingomar Harbour to allow fishermen to haul their boats out of the water for quick, minor repairs to minimize lost time at sea;
  - a bloodworm rearing project in an aquaculture facility. This project has leveraged additional funds from another funding agency and has an application with the National Research Council (NRC). It has the potential to develop a brand new industry.

Core Business 3: Responsible governance - focuses on the orderly development of the industries through supportive legislative/regulatory frameworks including licensing and leasing of developmental operations.

Priority – Integrated Food Safety Program

Achievements:

- Assisted with the implementation of the Food Safety and Quality (FSQ) Chapter of the Canada-Nova Scotia implementation Agreement for the APF, including the Regulatory Compliance Food and Farm Safety Program, aimed at enhancing industry compliance with standards and best practices. National development of indicators and targets for implementation of the FSQ Chapter are on-going. Food safety is funded at the provincial level through the Farm Investment Fund and the Agrifood Industry Development Fund. Funding is provided to provincially licensed meat plants to enhance their food safety protocols and procedures.
- Developed a risk-based approach to address meat inspection issues. Staff are working toward implementation.
- Developed appendices for an MOU on food safety and held on-going meetings with CFIA. Food safety is a shared jurisdiction and the MOU will clarify responsibilities and activities carried out by the department and CFIA. Work will continue in 2004.
- Hired staff to co-ordinate the development of an MOU for Foreign Animal Disease Eradication Support with CFIA that will enhance the effectiveness in responding to animal disease threats.
- Assembled information regarding the application of the Hazard Analysis Critical Control Points (HACCP) program in the greenhouse industry in other areas of Canada. The HACCP program is a systematic approach to identifying and managing potential. The Greenhouse Growers Association did not proceed with the program, but the department will pursue this project with interested businesses.

- The Dalhousie Food Technology Centre completed two initial modules to ensure food quality and food safety and two modules on product analysis and food recall for Taste of Nova Scotia Quality Food program members. All four modules are now complete and in operation.
- Signed an MOU with the Department of Environment and Labour for laboratory accreditation protocols for water testing that meet International Standards of Accreditation with the Standards Council of Canada. The MOU also establishes a centre of excellence with specialized laboratory services to support regulatory and industry demands.
- Completed the Standards Council of Canada Audit of Laboratory Services. Laboratory Services' Environmental Accreditation was renewed effective August 2003 to December to 2005. Environmental Accreditation is recognized as a separate field of analysis and expands the capabilities of the laboratory. This allows Laboratory Services to meet regulatory requirements to serve clients, such

as those included under Environment and Labour's new water regulations. The next audit is scheduled for November 2004.

- Canadian Association of Environmental Analytical chemist approved seven scopes of testing in the Program Specialty Area of Environmental Laboratory Service which conforms with requirements ISO/IEC 17025 of International Standards. This allows government to administer its regulations that require laboratory testing in an Environmental Accredited laboratory. It also supports industry's requirements in research, product development and export that require tests from an accredited laboratory.

Priority – Legislation, Information Management, Red Tape Reduction

Achievements:

Legislation and Regulations

- Worked extensively with the Nova Scotia Cattlemen's Association to develop a marketing plan and board structure to enable Nova Scotia's cattle sector to participate in a national promotion and research levy system. The Natural Products Marketing Council conducted a producer plebiscite which resulted in slightly less than the required two-thirds majority. Alternatives are being considered.
- Approved regulations on producer levy changes in eggs, chicken, turkey and milk. Regulations were also introduced that increased market share of egg producers, amended milk producer licensing, quota and bylaw regulations and bulk milk transportation rates. The department is awaiting amendments on chicken regulations (including removal of producer size limits), extensive revisions to the marketing plans and regulations for eggs and pork, dairy production regulations (quality standards) and further milk quota changes (non-saleable portions). Turkey regulation amendments are currently with the Board.

Red Tape Reduction

- Worked with Transportation and Public Works, Registry of Motor Vehicles offices to increase access to the farm registration database. Policies and regulations for use of the farm registration database as the recognized list of farms in the province were harmonized. Farmers are required to present their farm registration number to license their vehicles at a lower cost. This will result in more uniform and efficient service to the client and efficiencies within government.
- Completed a review of the Fisheries and Coastal Resources Act, which met the legislated review requirements. The review identified components of the Act that require amendments.
- Drafted an amendment to the Farm Registration Regulations to align the regulations with the Farm Registration Act.
- Revised and submitted for approval an omnibus regulation updating crop insurance premium rates and unit prices.

- Drafted food safety regulations to replace more than 70 sets of Food Shop Regulations. The regulations are ready for approval and will come under the new *Health Protection Act.*
- Reviewed marketing plans governing the grain, tobacco, and processing pea and bean boards with the potential for repealing of the boards in 2004-05 if the producers do not support their continuation.
- Continued to develop regulations under the new *Dairy Industry Act,* including Bulk Haulage Regulations, General Regulations, Total Production Quota Regulations, and Dairy Production Regulations.
- Gained approval for regulation amendments to increase the Farm Loan Board's lending limit from $1 million to $2 million before requiring Governor in Council approval.
- Began a review of the Animal Health and Protection Regulations, Deer Farming Regulations and Game Farming Regulations as part of a major Animal Health Legislation review.
- Increased total registrations and farmers choosing to be members of the NSFA to record levels - 2,678 and 2,117 respectively - in 2003–04. This is due in part to BSE-related assistance programs available to the cattle sector.

Information Management

- Continued development of an approved standard for management of departmental records. Phase 1 of Standard for Operational Records (STOR) Development Project Plan is complete. Phase 2 - Draft STOR is 80% completed. A project plan was developed and received approval for development of the NSAC STOR. Completed 15% of NSAC STOR.

Priority – Licensing and issuance of permits

Achievements:

- Completed a revised fish processor and fish buyer licence policy which includes internal improvements. Implementation is planned for October 2004.

Priority – Investigation and Enforcement

Achievements:

- Implemented a new Fisheries Enforcement Strategy to address illegal fishing, buying and selling activities in collaboration with federal and provincial agencies. The new policy places license conditions on buyers. A license sanction process is nearing completion and will be implemented by the Registrar of Licensing.

Core Business 4: Life long learning (education, training, skill development) - focuses on sustaining expertise and excellence in Nova Scotia's agricultural, agri-food and aquaculture industries, and preparing Nova Scotians for a global labour market through teaching, research and community services.

Priority – Increase NSAC research capacity

Achievements:

- The NSAC received $4.86 million in competitively-awarded research funding in 2003–04, compared with $3.79 million in 2002–03. The NSAC also has become the centre of innovative research that directly supports the agri-food and related industries in Nova Scotia. The emphasis is on centering research programs and expertise around regionally important industries to capitalize on niche opportunities in food production to support the rural economy. Research strengths at NSAC include examining the impacts of various production methods on food quality, nutrient quality, product safety and environmental issues. The NSAC collaborates with industry and other government agencies on various applied research projects that include addressing food quality concerns as disparate as after cooking darkening in potatoes and resistance to spongiform encephalopathies in sheep.

- Discussions are underway on the development of a Research Training Initiative aimed at increasing the long term innovative capacity of Nova Scotia's agri-food sector that best fits the vision of the sector. This will be achieved through the Canada-Nova Scotia Implementation Agreement on the APF and will involve training highly qualified personnel at the graduate level.

Research highlights for 2003-04:

- developing an Industrial Research Chair in Whole Plant Stress Physiology.
- implemented Canada Research Chair on Resource Management.
- selected and nominated Canada Research Chair in Molecular Biology.
- selected and prepared nomination for Canada Research Chair in Organic Agricul ture.
- advertised and receiving applications for Canada Research Chair in Aquaculture.

Priority – Leaders in a globalized food system

Achievements:

- Developed and established a four-year joint Bachelor of Technology (Agriculture) degree program between the College of Agriculture, Science and Education (CASE) in Jamaica and NSAC. The first class of students graduated in November 2003.

Priority – Respond to emerging job opportunities

Achievements:

- Developed new degree options in Water Management to meet the requirements of employers.
- Developed and launched four additional distance education courses in organic agriculture, bringing the total to seven in this area. The courses were developed to provide additional choice for students completing their certificate in Organic Agriculture.
- Developed and delivered a courses in Nutrient Management. The courses were developed at the request of the three Maritime provinces and are designed to retrain existing nutrient management consultants.
- Initiated an introductory workshop designed to assist businesses to deal with their business succession needs. Business ownership and succession have been identified as key development challenges facing many segments of the agri-fish sector. The workshop consisted of a series of modules using a practical hands-on approach. The material was pilot tested in the fall of 2003 in preparation for implementation in 2004–05.

Priority – 4-H Leadership development

Achievements:

- Embedded 90th anniversary promotions/celebrations in all programming, The 90th anniversary of 4-H in Canada was centered on the traditions of 4-H and celebrating the successes of the past through the national theme "The Roots of our Past the Promise of our Future". It provided a focus to further promote 4-H, its leadership roles, its role in rural communities for the past 90 years and its continued relevance for the future. Programming that included 90th anniversary celebrations were:
  - the Nova Scotia 4-H Show and Nova Scotia 4-H weekend were two programs featuring 90th anniversary celebrations.
  - a provincial contest promoting 90 years of 4-H and Agriculture.

- Focused on leadership development, organizational skills, and decision making through workshops and training events held throughout the province. Provincial events included 4-H Camp Rankin, Nova Scotia 4-H Weekend, and the Nova Scotia 4-H Show, as well as continued development and delivery of the 4-H Agriculture Awareness Program.
- Played a leading role in phases four to seven of the National Ipsos Reid study. The study results reported on the strength of the 4-H brand, contribution to a healthy lifestyle, and significance to the rural communities.

- Continued to support farm safety through the national committee of the Canadian Agricultural Injury Surveillance Program. The committee issued a report covering 10 years of data on injures and fatalities on farms in Canada. This information will be useful for developing farm safety programs.

Priority – Fishery professionalization

Achievements:

- Worked with government partners and industry groups to improve professional and safety standards in the commercial fish harvesting sector. Meetings to address professionalization of the fishery were conducted with industry leaders in the Scotia Fundy (Bay of Fundy - Cape North) and Gulf Nova Scotia (Inverness Co. coast and Northumberland Strait) regions. An industry-led vote was conducted in Gulf Nova Scotia to determine if fishermen wanted to further develop the concept of professionalization in their area. The result of the vote was that the initiative will continue. In the Scotia Fundy area, efforts continue to communicate the principles of professionalization with harvesters and to develop a validation process (to see if fishermen want it). With a positive result from validation in the Gulf and Scotia Fundy regions, an MOU will be developed which will facilitate the recognition of formal labour standards for professional fish harvesters.

- Developed a safety manual for the fishing and aquaculture industries in collaboration with the Nova Scotia Fisheries Sector Council, the Department of Environment and Labour, Transport Canada and industry participants.

BUDGET CONTEXT from BUSINESS PLAN 2003–04

Nova Scotia Department of Agriculture and Fisheries 2003–04 000's

Core Businesses	Actual 2003-04	Budget 2003-04	Variance
Sustainable Resource Management	5,658.1	5,802.6	(144.5)
Industry Growth & Development	19,063.3	16,039.2	3,024.1
Responsible Governance	5,830.9	6,304.6	(473.7)
Education, Training, Skill Development & Life-Long Learning	6,894.2	6,697.0	197.2
Administration & Support	5,126.7	5,274.6	(147.9)
Total - Program Expenses Net of Recoveries	42,573.2	40,118.0	2,455.2
Total Gross Current	63,197.9	59,016.2	4,181.7
Salaries & Benefits	26,751.9	27,542.5	(790.6)
Funded Staff (FTEs)	513.9	517.6	(3.7)

Variance Explanation Notes: The total Net Program Expense Variance of $2.455 million represents an additional appropriation of $3.5 million for BSE Memorandum and a 2.5% reduction in authority ($1 million).

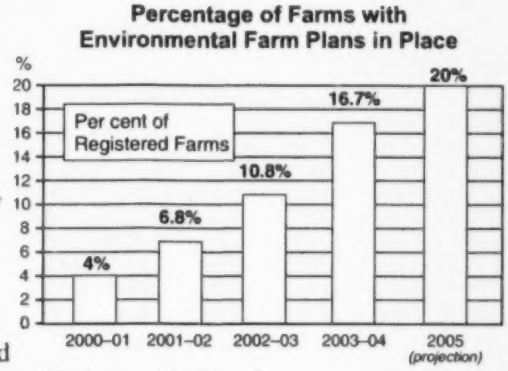
MEASURING OUR PERFORMANCE 2003–04

The department has four core business areas, the first of which is ***Sustainable Resource*** Management. An outcome that will contribute to this core business area is **viable agriculture, fisheries and aquaculture sectors**. The following measures are used to record movement toward achieving the outcome:

- **Percentage of Registered Farmers Participating in the Nova Scotia Federation of Agriculture's Environmental Farm Plan Initiative**

What does the measure tell us? Government assists farmers through educational and developmental programs that encourage sustainable farming practices, such as soil, water, and air management. The number of farmers participating in the Nova Scotia Federation of Agriculture's Environmental Farm Plan initiative is expressed as a percentage of all registered farmers under the Nova Scotia Farm Registration Act. Increasing the number of farms participating in the Environmental Farm Plan initiative will result in conservation and sustainable development of soil, water, air, and biodiversity resources.

Where are we now? As of March 2004, approximately 400 farms were participating in the Environmental Farm Plan (EFP) initiative. This represents 16.7% using a base of 2400 registered farms. There has been a steady increase in the percentage of participants in the EFP initiative as shown below. (Source NSAF)



Where do we want to be? Our target is 20% or one in five farms will have Environmental Farm Plans in place by 2004–05. The EFP Initiative is a priority in Nova Scotia and is highlighted in the Canada-Nova Scotia Implementation Agreement for the APF as a key element of sustainable agricultural development. In cooperation with the NSFA, the department continued enhancement and delivery of the EFP Initiative. The department completed negotiations with Canada to have Nova Scotia's EFP acknowledged as consistent with the national EFP model.

- **Dollar Value Research Projects Awarded**

What does the measure tell us? The dollar value of research projects awarded reflects success in efforts to identify and undertake scientific research. This leads to development and adoption of innovative technology, and sustainable agriculture and aquaculture practices.

Where are we now? In 2003–04, in excess of $1.8 million in research funding was awarded through the Technology Development and Agricultural Water Resource Development programs. However, the impact of the department's funding was greater than the $1.8 million awarded, as the funding received under the Technology Development program was used to leverage other sources of funding. The level of research funding received by NSAC from all sources (e.g., federal and provincial programs, private industry, etc.) increased from $3.79 million in 2002–03 to $4.86 million in 2003–04. For some regional projects, the commitment of funding from the Technology Development program was used to leverage funding from the provinces of New Brunswick and Prince Edward Island. The funded projects support the development or adaptation of new, leading edge agricultural technologies, as well as research in agricultural water management. (Source NSAF)

Where do we want to be? The target for the department and NSAC is to increase the value of research projects awarded each year. The department and NSAC will continue to work with partner organizations to address water, soil and climatic changes impacting on agriculture, aquaculture and rural communities, and to undertake applied and theoretical research contributing to sustainable resource management.

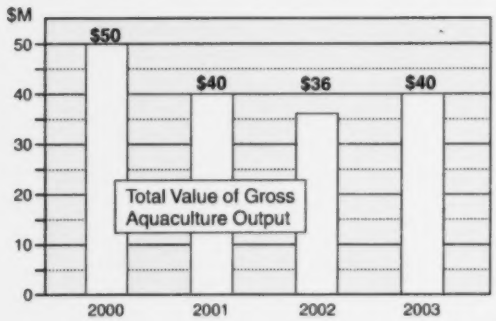
- **Value of Gross Aquaculture Output**

What does the measure tell us? The dollar value of gross aquaculture output in the province reflects aquaculture resource and site management such as appropriate site selection/husbandry practices including appropriate stocking densities. The dollar

value of gross aquaculture output in the province also reflects farm gate production. Most of the production is exported out of the province, thus, it represents new money into a community. The benefit is a net increase in employment for these areas.

Where are we now? In 2003, gross aquaculture output in the province had a value of $40 million. This is an increase over 2002 due to increases in production by salmon companies and new mussel sites. Gross aquaculture output had declined from 2000 to 2002 mainly as a result of the loss of one company, a failure of the European oyster industry and an outbreak of Multinucleate Sphere X (MSX), a parasitic disease of American (or Eastern) oysters. (Source NSAF)

Value of Gross Aquaculture Output



Where do we want to be? Future goals are to continue increasing the value of gross aquaculture output, sustainable growth in coastal and rural communities and to produce safe, high quality sea food products.

- **Dollar Value Sport Fishing Activities to the Province;**
- **Percentage Change in Sport Fishing Licenses Sold**

What does the measure tell us? The dollar value of sport fishing activities in the province and the percentage change in sport fishing licences sold reflect efforts to promote conservation and enhancement of inland fish stocks, and promotion of sportfishing activities. These efforts by government, industry and community partners contribute to a sustainable sport fishery resource. The measures also reflect the importance individuals place on leisure activities. Nova Scotia's economic contribution is comparable with other Canadian provinces on a pro-rated basis. If we are successful in attaining access to our marine resources for recreational purposes, we will exceed national standards.

Where are we now? In 2003 the value of sport fishing activities remained at an estimated $85 million. Direct and indirect spending by anglers increased to $56.6 million in 2000 from $41.8 million in 1995. From these and other types of expenditures, it is estimated that the economic impact of the sport fishery in Nova Scotia is $85 million each year. While there was a 15% decrease in the number of sport fishing licenses sold compared to 2000, the value of the resource remains on par with other Atlantic Provinces. Between 1995 and 2000, New Brunswick sales declined by 18% and PEI sales declined by 24%. (Source NSAF)

Where do we want to be? The target is to increase both the dollar value of sport fishing activities in the province and the percentage change in sport fishing licenses sold compared to the base year 1999. Specifically, the target is to have the value of sport fishing activities exceed $100 million by 2005 and achieve sales of 70,000 licenses per year by 2005. To achieve this target, the department will continue to partner with government, industries and communities to identify and promote sport fishing activities and events, promote conservation, and enhancement of inland fish stocks to strengthen the sportfish resource.

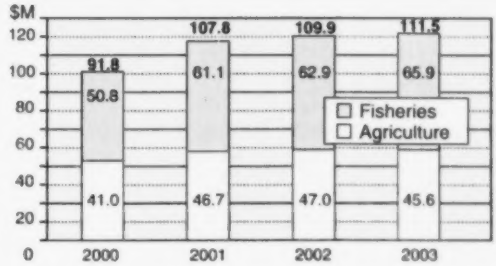
A second core business area of the department is ***Industry Growth and Development***. An outcome that will contribute to this core business area is **economic growth and prosperity in rural and coastal communities**. The following measures are used to record movement toward achieving the outcome:

- **Dollar Value Total Capital Expenditures Agriculture and Fisheries**

What does the measure tell us? The dollar value of total capital expenditures in agriculture and fisheries shows us the amount of capital investment in the sectors over the 2003 year. Investments of this nature contribute to economic growth and prosperity within rural and coastal communities in the province.

Where are we now? In 2003, the total value of capital expenditures was $111.5 million, an increase from the total value of $91.8 million in 2000. This is the sum of $45.6 million spent in agriculture and $65.9 million spent in fisheries in 2003. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

Dollar Value Total Capital Expenditures Agriculture and Fisheries



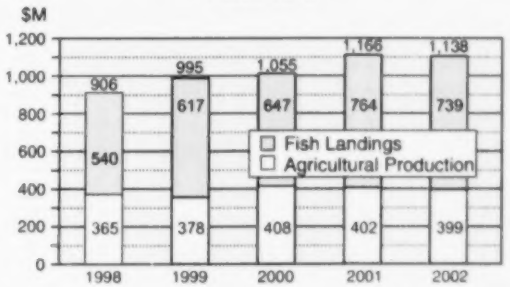
Where do we want to be? The target is to continue an increase in total capital expenditures in both sectors such as occurred from 2000 to 2002. The department will continue to strengthen linkages between public investment and best management practices for public and private investment.

- **Value Agricultural Production**
- **Value of Fish Landings**
- **Primary Value of Agriculture and Fisheries**

What does this measure tell us? These three measures show the dollar value of industry performance on a sector basis and their combined total from primary production. The values enable the department to track industry performance, work with industry to identify opportunities, address and mitigate issues that challenge agricultural production and fish landings. Industry performance impacts on the economic growth and prosperity in rural and coastal communities.

Where are we now? In 2002, the value of agricultural production was $399 million, a decrease from $408 million in 2000. The decrease can be attributed to drought and market conditions. The value of fish landings was $739 million, an increase from $647 million in 2000. This increase can be attributed to strong market demand and prices. The primary value of agriculture and fisheries was $1.138 billion, an increase from $1.055 billion in 2000. (Source: Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

Primary Value of Agriculture and Fisheries



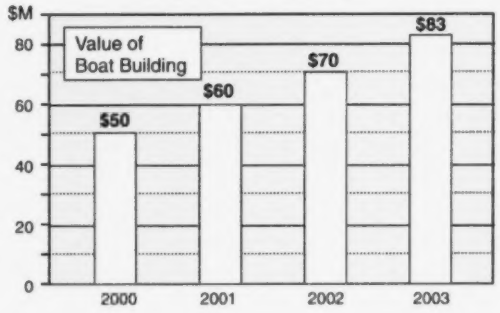
Where do we want to be? In future, the target is to increase the values of agricultural production, fish landings and the total primary value of agriculture and fisheries within the province. To achieve this target, the

department will continue to work with industry and other stakeholders to identify opportunities, address and mitigate issues, such as climate change and declining coastal resources that challenge production and landings.

- **Value Boat Building**

What does the measure tell us? This measure shows the activity in the boat building sector of the province. The dollar value enables the department to track industry performance, work with industry to identify opportunities, address and mitigate issues that challenge industry growth and development. Industry performance impacts on the economic growth and prosperity in rural and coastal communities.

Value Boat Building



Where are we now? In 2003, the value of boat building was $83 million. This was an increase of $13 million or 19% from the $70 million value in 2002. This reveals economic growth in the sector. (Source NSAF)

Where do we want to be? The target is to increase the value of boat building within the province. The department will work with the industry to identify opportunities, address and mitigate issues that challenge industry growth and development. Present challenges are associated with trained skilled workers.

- **Value of Shipments Food Manufacturers;**
- **Food Manufacturing Value-added**

What does the measure tell us? The measure shows the dollar value of shipments by food manufacturers in the province. The measure shows sector activity beyond the primary production level. The measure enables the department to track value-added performance in the sectors and province, to work with industry and other government agencies to address and facilitate market access issues. Value-added activity reflects the core business area of industry growth and development, contributing to economic growth and prosperity in rural and coastal communities and urban centres.

Where are we now? In 2003, the value of shipments by food manufacturers is estimated to be $1.998 billion. This is an increase of 8.8% from $1.837 billion in 1999. The value-added shipments' ratio decreased from 36.5: 1 to 31.4:1 between 1999 and 2001. In 2002, the most recent year available, the ratio increased to 33.4:1.[1] The value-added ratio is the ratio food manufacturing value-added to the value of shipments of food manufacturers. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206

[1] These ratios are down from 1999 in part due to methodological changes made to Statistics Canada's Annual Survey of Manufactures (ASM), which were implemented in 2000. The changes included the use of Statistics Canada's Business Register to identify in-scope businesses for the ASM and the expansion of the ASM to include all manufacturing activity in Canada.

Where do we want to be? The target is to increase the value of shipments by food manufacturers.

- Nova Scotia Value of Shipments as a per cent of Canada

What does the measure tell us? This measure shows Nova Scotia's value of shipments by the food manufacturing industry as a percentage of Canada. The measure enables the department to track value-added performance as it compares nationally, to work with industry sector to identify market opportunities for diversification and value-added activity.

Nova Scotia Value of Shipments
as a % of Canada

Where are we now? In 2003, Nova Scotia Value of Shipments as a percentage of Canada was 3.2%. As the table below shows, the trend has been more or less constant 1998 through 2003. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

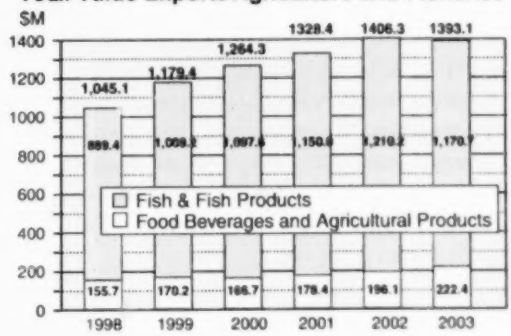
Where do we want to be? The target for the measure is to maintain or increase Nova Scotia's Value of shipments as a percentage of Canada.

- **Value Exports Fish and Fish Products;**
- **Value Exports Food, Beverages, and Agriculture Products;**
- **Total Value Exports Agriculture and Fisheries**

What does the measure tell us? These measures show the dollar values of food export activities in agricultures, fisheries and their combined export value. The measures enable the department to work with industry and other stakeholders to identify and capture export market opportunities for Nova Scotia agriculture and fisheries products which contribute to economic growth and prosperity for the province.

Where are we now? In 2003, the export value of fish and fish products was $1,170.7 million, the export value of food, beverages and agriculture products was $222.4 million, and the total dollar value of agriculture and fisheries' exports was $1,393.1 million (approximately $1.4 billion). There has been an increasing trend in the export values as shown in the table below. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

Total Value Exports Agriculture and Fisheries



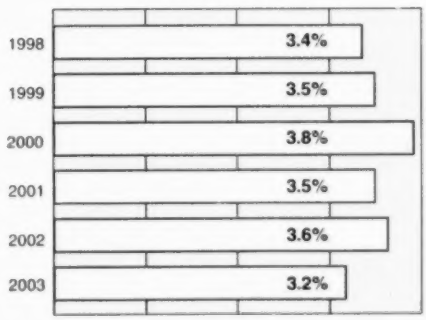
Where do we want to be? The target for these measures is to increase the export value each year. To achieve this target, the department will continue its collaboration with industry and government agencies to address and facilitate market access issues and actively pursue international market opportunities.

Where do we want to be? The target is to increase the value of shipments by food manufacturers.

- Nova Scotia Value of Shipments as a per cent of Canada

What does the measure tell us? This measure shows Nova Scotia's value of shipments by the food manufacturing industry as a percentage of Canada. The measure enables the department to track value-added performance as it compares nationally, to work with industry sector to identify market opportunities for diversification and value-added activity.

Nova Scotia Value of Shipments
as a % of Canada



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- **Value Exports Fish and Fish Products;**
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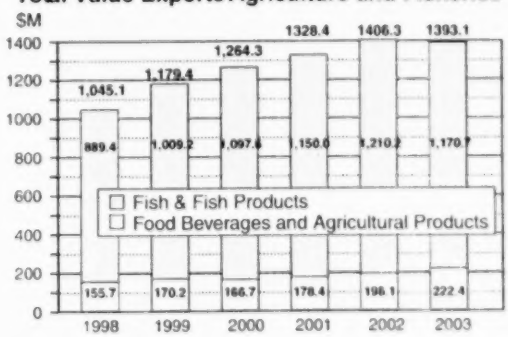

Where do we want to be? The target for these measures is to increase the export value each year. To achieve this target, the department will continue its collaboration with industry and government agencies to address and facilitate market access issues and actively pursue international market opportunities.

The third core business area of the department is ***Responsible Governance***. An outcome that will contribute to this core business area is a **responsible and responsive legislative environment**. The following measures are used to record movement toward achieving the outcome:

- **Number Participants in Food Safety Training Courses**

What does this measure tell us? Food safety is essential for a healthy population. This measure shows the number of individuals who have participated in training courses in food safety education, identification of food hazards, prevention and control of incidences of food borne illnesses. Greater awareness of food safety issues assist in maintaining a healthy population. The measure contributes to responsible government.

Where are we now? Successful food safety programs also depend upon the involvement of volunteer groups and agencies. In 2003, Food Safety Specialists provided three and six-hour courses to approximately 3,000 food handlers, including community and church volunteers, workers in the food industry and students. This was down from 3,625 in 2001. Fund-raisers, community events and other volunteer activities where food is served are traditions in Nova Scotia. We realize that education is key and our staff offer this food handler training course to volunteers free of charge. The course provides participants with information about food-borne diseases, hand washing, pest control, cleaning and sanitizing, and the proper ways to prepare, ship and store food. The small decrease in program participants from 2001 to 2003 is due to a one-time requirement for food handlers to take training. The number of initial participants was greater than number currently requesting the program and fewer food handlers remain untrained. (Source NSAF)

Where do we want to be? The target for this measure is to sustain or increase the number of participants each year. To achieve this target, the department will work with industry partners to implement a Food Safety Program that includes cross-training for inspection personnel, food safety and product evaluation.

- **Number of Site Inspections**

What does this measure tell us? This measure shows the number of site inspections carried out by the department in 2003. It contributes to the effectiveness of an integrated food safety program leading to prevention and control of incidences of food borne illnesses.

Where are we now? In 2003, the Food Safety section licensed 5,900 food facilities and completed 11,000 inspections, down from 11,615 in 2001. The small decrease in inspections from 2001 to 2003 is due to fewer inspections required in food facilities that have implemented their own quality assurance programs. In addition, food safety specialists were assigned additional responsibility for inspection of child care facilities. The licensing of 5,900 food facilities indicates the number of facilities assessed and categorized based on level of risk. The number of annual inspections required in these facilities depends on the level of risk. (Source NSAF)

Where do we want to be? The target is to increase the number of site inspections each year. To achieve this target, the department will work with industry partners to implement food safety regulations and develop a seamless seafood program for retail establishments.

- **Number of Consumer Complaints Requiring Investigation of Food Safety Issues**

What does this measure tell us? The number of consumer complaints that required investigation of food safety issues assists the department in identifying areas where food safety courses could be targeted, and where site modifications may be required to control incidences of food borne illness. Reducing the number of consumer complaints requiring investigation of food safety issues builds consumer confidence in food safety and is a part of responsible governance.

Where are we now? In 2003, Food Safety Specialists investigated 338 consumer complaints, down from 386 the previous year and 432 in 2001. (Source 2003 Activity and Inspection Summary Report NSAF)

Where do we want to be? The target is to decrease the number of consumer complaints that require investigation of food safety issues. The department will continue its strategy of cross-training food safety and inspections in order to achieve the target.

- **Revision/Review of Department's Legislative/Regulatory Framework**

What does the measure tell us? This measure shows the number of Acts reviewed by the department on an annual basis to ensure they are current with changing needs of the industry and with other legislation. It contributes to competitive industry sectors operating within a responsible and responsive legislative environment.

Where are we now? In 2003, the review of the Fisheries and Coastal Resources Act was completed which meets the legislated review requirements. A new Farm Machinery and Vendors Act was passed May, 2003 and will be effective upon proclamation. (Source NSAF)

Where do we want to be? The department has a target to complete the review of four Acts by 2004–05. To achieve this target, the department will continue to work with industry and governments to develop, implement and revise legislative/regulatory instruments.

The fourth core business area of the department is ***Education, Training, Skill Development and Life Long Learning***. One outcome that will contribute to this core business area is a **highly skilled, internationally competitive workforce**. The following measures are used to record movement toward achieving this outcome:

- **Ratio of Employment Opportunities to Number of Graduating Students**

What does this measure tell us? This measure shows the number of employment opportunities to the number of graduating students from the NSAC. The measure is expressed as a ratio. The measure shows the effectiveness in providing quality academic programs that reflect the demands of a competitive employment environment in agriculture and aquaculture. Graduates form a part of a highly-skilled internationally competitive workforce.

Where are we now? The ratio of employment opportunities to the number of graduating students for 2003 is 2:1. This reflects stable market demand for students specializing in agriculture/aquaculture disciplines and the effectiveness of NSAC in meeting the needs of industry in Nova Scotia.[2] (Source NSAC)

Where do we want to be? The target is to sustain or increase the ratio of employment opportunities to the number of graduating students. To achieve this target, the NSAC will continue to provide and revise, as needed, quality academic programs that reflect the needs of a competitive employment environment.

- **Dollar Value of Applied and Theoretical Research Awarded**

What does the measure tell us? The dollar value of applied and theoretical research awarded shows the research capacity of the NSAC. This contributes to development and recognition of a highly-skilled internationally competitive workforce, supporting innovation and growth in agriculture.

Where are we now? In 2003, applied and theoretical research projects with a value of $4.87 million were actively on-going at NSAC. Revenue for research at NSAC continues to show a steady increase from $3.2 million in 2001 to $3.8 million in 2002 to $4.87 million in 2003. The increase in dollar value is consistent with the target set. (Source NSAC)

Where do we want to be? The target is to sustain or increase the dollar value of applied and theoretical research awarded. To achieve this target, the NSAC will continue efforts to enhance its research capacity through participation in the Canada Research Chairs' Program, the Canada Foundation for Innovation, the Atlantic Innovation Fund and other partnerships in support of research professorships.

[2] Baseline ratio amended to 2:1. Previously used baseline of 3:1 is now considered to have been inaccurate. Source: NSAC

A second out come that will contribute to the core business area, ***Education, Training, Skill Development and Life Long Learning*** is **community leadership capacity in youth as an investment for leaders of the future**. The following measures are used to record movement toward achieving this outcome:

- **Number of 4H Members**

What does this measure tell us? The number of 4H members reflects how rural and urban youth value the program. It also reflects the department's work with communities to deliver the 4H program and develop life long learning skills with members and volunteers.

Where are we now? In 2002, Nova Scotia had 2230 4H members, which was down 170 members from 2001. This represents 1.8% of Nova Scotia's population (July 2002) between the ages of 10 and 19. This figure rose to 2398 in 2003 bucking the National trend of a decrease in membership in rural organizations. The decrease in membership from 2001 to 2002 can be partially attributed to age demographics and senior members moving on to secondary education. (Source NSAF)

Where do we want to be? The target for this measure is to sustain the number of 4H members. To achieve this target, the department will continue to work with communities to promote membership, and expand partnerships with new initiatives, such as the 4H Fisheries Manual.

- **Percentage Change Knowledge Survey of Learning Events/Opportunities**

What does this measure tell us? The measure reflects the effectiveness in delivery and content of education opportunities to 4H members. Knowledge gained contributes to the development of life long learning skills.

Where are we now? Increases were recorded in the knowledge of participants from 14.2% in pre-conference surveys of learning events/opportunities to 30.5% in post-conference surveys of learning events/opportunities during 2004. This is consistent with 34% reported in 2003 and 25% reported in 2002. The results indicate the effectiveness of learning events delivery and interest to attendees. (Source NSAF)

Where do we want to be? The 4H Program has a target to increase the percentage change knowledge survey of learning events/opportunities. To achieve this target the 4H program will continue its strategy to deliver and evaluate educational opportunities to members.